

Pajamas Media  
January 28, 2010

Last night, President Barack Obama delivered his first official [State of the Union](#) address. With unemployment at 10%, small businesses across America struggling to stay afloat, record government deficit spending, and an attempted terrorist attack on Christmas Day, Congress has its work cut out for them.

But what should the priorities of President Obama and Congress be? How vital is it that Congress pass health care reform? Should we be focusing instead on getting Americans back to work? Are his proposals just really the same failed idea of more government spending or will the proposals actually get our economy back on track?

Roughly one year ago, when President Obama came into office, he worked with the Democrats in Congress to pass the \$787 billion ["stimulus" bill](#) intended to boost the economy and prevent job loss. Since then, approximately 2.7 million jobs have been lost across America. In Missouri alone, we have lost 39,600 jobs compared to the 40,000 jobs the White House claims the stimulus has created. Mr. President, where are the jobs?

At the same time, the federal government under President Obama and the Democratic majority continues to grow by leaps and bounds. This year alone, the Democrats have spent a record \$3.5 trillion, almost half of which was deficit spending. The [national debt limit](#), which allows the federal government to borrow money to pay for government programs, has been raised four times since 2008. Since Democrats took control of Congress in January 2007, debt has increased by 39 percent, from \$8.670 trillion to \$12.031 trillion.

That means every man, woman, and child in America bears the burden of nearly \$39,000 in federal debt. And Congress is already talking about raising the debt limit again as early as next week. Unfortunately, instead of generating jobs, reckless federal spending is weakening our economy and our nation. The administration and the majority are so intent on redistributing our nation's wealth that they have lost sight of one important fact: the government can only redistribute wealth, it cannot generate it. Rather, it is the private sector that generates wealth and creates jobs. It is enterprising individuals with new ideas, small businesses with a great product or service, and the private sector that grow our economy and puts Americans to work.

So how are the administration and Congress working to get our economy back on track? What are they doing to encourage businesses to grow and expand? First, they want to pass a health care bill that increases taxes on small businesses, which comprises over 90% of the U.S. economy. Second, they want to let the 2001 and 2003 tax cuts expire, and add new taxes on financial institutions. Third, they want to tax America's carbon emissions, which instead of helping the environment will only drive up energy costs, forcing more jobs overseas where there are even less environmental safeguards. Lastly, once the Democrats are done taxing America to death, they will still have to borrow more money to pay for all of their spending.

There is no doubt we need to deal with the rising cost of health care and be good stewards of the environment, but the bottom line is that the most important issue facing our nation today is getting the economy back on track.

So what should the president do about the economy? First, we need to let Americans keep more of their money and encourage them to invest in ways that will strengthen our economy. We also need to extend the research and development tax credit, which encourages businesses of all sizes to invest in technology of the future. We should cut the capital gains and dividends tax. Statistics show that this tax cut in 2003 played a significant role in creating new jobs and growing our economy, as evidenced by the several consecutive quarters of real GDP growth.

Cutting the capital gains and dividends tax frees up capital which can be put back into the economy and invested in new technology and companies, producing new jobs. While these are just a few suggestions, the guiding principle in getting people back to work is that the government does not encourage growth of the economy, it just taxes it. As President Ronald Reagan once said, "Government does not solve problems; it subsidizes them." We need to return to market-based principles of economic growth which will lead to more jobs for Americans and keep our economy competitive in the world market.

As Congress begins the 2010 session, we need to focus on what the American people see as the biggest problem: our economy. The bottom line is this: jobs come first. Mr. President, let's put America back to work.

